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PSYCHOLOGICAL STRATEGY BOARD
WASHINGTON 25, D. C.

May 14, 1952

OBSERVATIONS ON THE BUREAU OF THE BUDGET REPORT, DRAFT
MEMORANDUM FOR THE PRESIDENT AND PSB - April 29, 1952

1. The following are comments on the specific numbered items of the draft Presidential memorandum to the members of the Board:

Item 1. I believe that we cannot quarrel with the proposed conclusion to concentrate on forward strategic planning. As the paragraph is phrased, there is sufficient room for interpretation as circumstances warrant. Moreover, we should welcome the instruction that the Board should encourage the strengthening of departmental level coordinating mechanisms which leaves us free to determine in any particular case whether available coordinating mechanisms are adequate and suitable for the task at hand.

Item 2. The principle of the rotating chairmanship with the implied understanding that the Director should ultimately be the chairman should be acceptable to the Board.

✓ The penultimate paragraph in which the President invites occasions on which he can meet with the Board, the Director and the Executive Secretary of NSC is, in my opinion, the most important item in the memorandum. It solves the problem of access to the President with which we have been concerning ourselves.

2. The following are observations with respect to the Bureau of the Budget report proposed for transmittal by the President for further study and appropriate action of the Board:

(a) The whole tenor of the report seems friendly, encouraging and conscious of the difficulty and delicacy inherent in the establishment of this new form of interdepartmental organization. It must be borne in mind that the fact finding on which the report is based was completed in the middle of February and much of the most important work of the Board has occurred since that date.

(b) With

NSC review completed.

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Planning ✓

(b) With respect to the conclusion concerning long range planning (Page 3) it might be well to bring to the Bureau's attention the fact that at the first meeting on programs the Board indicated clearly that they wanted the Board to concentrate on some specific unresolved questions that have not been dealt with successfully. There was concern expressed by the Board members that this new mechanism could easily be overloaded by attempting a too ambitious program at the outset. During the past year the Board has dug out from under several of these legacies of the past and has been able to concentrate more on longer range strategic plans. This operation, being interdepartmental in character, is necessarily a slow one requiring consent and support from the participants. If the Board had taken an independent position at the outset it could conceivably have acted more rapidly but this course would eventually have been disastrous as far as securing adequate implementation of plans is concerned. Even with the sound approach established by the Board the educational processes of getting three large and proud agencies to work together is slow at best. The overall job that the Board has undertaken is not new to anyone of the agencies in itself. The only new feature in the Board's existence and role is the realization and determination that no one of the agencies can do the job effectively by itself but must concert its efforts with those of the other members of the Board and on occasion with those of non-member agencies.

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(c) With respect to the observations on coordination it is difficult to agree with the Report's statement that the Presidential Directive clearly leaves the area of operational coordination with the Departments. It should be pointed out to the Bureau that the impact of the Directive on 59/1 has not been fully analyzed or accommodated. The Board has only assumed the responsibility for coordination where there is clearly no adequate existing mechanism and then only reluctantly. It could not do otherwise and still expect its plans to be anything but academic exercises.

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(d) The observation with respect to the evaluation responsibilities bear out our tentative staff conclusion that we cannot evade responsibility for full scale evaluation of the national effort, whatever that may mean. I believe that on this point our approach should be that we are aware of this responsibility and are searching for ways and means for discharging it. However it is an area that is almost completely uncharted and there is a long history of unsuccessful official effort in this field. It is still, and will be for some time, frankly experimental and there are no ready or easy solutions. It is important that we put this function into the proper light so that we do not build up too great an expectation at the top policy levels.

(e) With

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(e) With respect to the relationship with the President I have commented above underlining the importance of this particular recommendation.

(f) With respect to relationships with the NSC there are a few doubtful statements apparently based on misinformation concerning an alleged Board action defining its relationship with NSC and participation by the Director in the NSC itself. However, the conclusion, in my opinion, is sound which recommends that we not formalize our relationship with NSC but should develop a system of reports. This reporting procedure is now under study.

(g) Relationship with JCS. Assuming that this conclusion affects only formal relationship with the JCS it would appear that it is sound. We are aware, however, that we should further our informal relationship in the interest of more *responsive* cooperation on the part of the military.

(h) The recommendation on the internal organization of the Board and its relationships with the Director is a sound one but is something that develops on the basis of increased mutual confidence and successful operation and cannot be done by any particular program of administrative actions to be planned in advance. It is a matter to which we should be alert and should seize the opportunities as they present themselves.

(i) With respect to Board membership the argument with respect to excluding the Director of Mutual Security (Page 9) on the ground that it would make it more difficult to prevent the addition of other agencies is a weak case. It is not a matter for us to push but it is my opinion that this issue is not foreclosed and will present itself again as it becomes more obvious that NSA is not only a principal tool but has important policy making responsibilities vitally affecting psychological strategy.

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